

1 UNITED STATES DISTRICT COURT
2 DISTRICT OF MINNESOTA
3
4 FAIR ISAAC CORPORATION,
5 Plaintiff,

6 v. Court File No. 16-cv-1054 (WMW/DTS)
7 FEDERAL INSURANCE COMPANY,
8 an Indiana corporation, and ACE
9 AMERICAN INSURANCE COMPANY,
10 a Pennsylvania corporation,

11 Defendants.

12 VIDEO DEPOSITION

13 The following is the video deposition of
14 JANDEEN BOONE, taken before Jean F. Soule, Notary
15 Public, Registered Professional Reporter, pursuant
16 to Notice of Taking Deposition, at the law office
17 of Merchant & Gould, 3200 IDS Center, 80 South
18 Eighth Street, Conference Room 32H, Minneapolis,
19 Minnesota, commencing at 9:05 a.m., Wednesday,
20 February 6, 2019.

21 * * *

22
23 C O N F I D E N T I A L
24 ATTORNEYS' EYES ONLY



Jandeen Boone - CONFIDENTIAL - ATTORNEYS' EYES ONLY - 2/6/2019
Fair Isaac Corporation vs. Federal Insurance Company, et al.

1 there was a renegotiation of the license, were you
 2 involved in any situation like that during your
 3 time at FICO?
 4 MS. KLIBENSTEIN: Objection, asked
 5 and answered.

6 THE WITNESS: Do you want me to answer?

7 MS. KLIBENSTEIN: Yeah. Not that I
 8 specifically recall, no.

9 BY MS. JANUS:

10 Q. Do you have any knowledge of
 11 negotiations like that taking place while you were
 12 at FICO?

13 A. Not that I remember, no.

14 Q. You were involved in negotiating the
 15 Chubb license agreement?

16 A. Yes.

17 Q. When did you first become involved in
 18 that?

19 A. I don't remember.

20 Q. Let me shift gears for a second. What
 21 did you do to prepare for your deposition today?

22 MS. KLIBENSTEIN: I -- I'll object to
 23 that on attorney-client privilege. You can -- you
 24 can answer as long as you don't disclose
 25 communications between us.

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1 THE WITNESS: I had a meeting two
 2 weeks ago with Heather.

3 BY MS. JANUS:

4 Q. Did you review any documents?

5 A. Yes.

6 Q. Which documents did you review?

7 A. The license agreement between FICO and
 8 Chubb, two amendments to that agreement, and that
 9 was it.

10 Q. Did you review any e-mails?

11 A. Not that I recall, no.

12 Q. Did you review any of the negotiation,
 13 the redlines of the license agreement?

14 A. I did not specifically look at any
 15 redline documents, no.

16 Q. Okay. Anything else to prepare for
 17 today?

18 A. I had a follow-up call yesterday with
 19 Heather and Jim Woodward.

20 Q. Did you review any documents in
 21 connection with that follow-up call?

22 A. No.

23 Q. On your own, did you review any
 24 documents to prepare for the deposition?

25 A. No.

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1 Q. All right. So going back to the
 2 license agreement with Chubb, you don't have an
 3 independent recollection of when you first became
 4 involved in that, correct?

5 A. Correct.

6 Q. Do you recall how it was that you
 7 became involved in the Chubb license agreement?

8 A. No, not specifically. I mean, other
 9 than it would have been assigned to me through the
 10 system.

11 Q. Okay. Do you recall who you worked
 12 with at FICO in connection with the Chubb license
 13 agreement?

14 A. I did not recall the other names until
 15 having conversations with Heather, other people
 16 that have -- were involved in the deal, but I did
 17 not independently recall that, no.

18 Q. Sitting here today, do you actually
 19 recall working with business people at FICO on the
 20 Chubb license?

21 A. I'm not sure I understand your
 22 question.

23 Q. Sure. I understand that you probably
 24 haven't thought about this situation for quite some
 25 time before the last couple of weeks. But now that

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1 you've possibly had your recollection refreshed to
 2 a certain extent, do you recall now, sitting here
 3 today, working with business people at FICO in
 4 connection with the Chubb license agreement?

5 A. No, not really.

6 Q. Okay. Do you recall what the scope of
 7 the Chubb license agreement was?

8 A. Just like sitting here, not
 9 specifically, no. I mean, if you want me to look
 10 at it, I'm happy to do that, but I don't recall
 11 from memory.

12 (Whereupon, Deposition Exhibit No. 305
 13 was marked for identification, and a copy is
 14 attached and hereby made a part of this deposition.)

15 BY MS. JANUS:

16 Q. Showing you what's been marked as
 17 Deposition Exhibit 305, this is an e-mail from you
 18 to Jim Black, with a copy to Larry Wachs, correct?

19 A. Yes.

20 Q. The date is June 6th, 2006, and the
 21 subject is Revised MSA and License -- Software
 22 License and Maintenance Agreement, correct?

23 A. Yes.

24 Q. Who is Jim Black?

25 A. He's a person at Chubb. I don't know

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1 what his role was. 2 Q. Do you recall working with Jim Black 3 in connection with the Chubb license agreement? 4 A. No. 5 Q. Who was Lawrence Wachs? How -- first 6 of all, do you know how to pronounce his last name, 7 is it Wachs (phonetic, woks)? 8 A. I believe it's Wachs (phonetic, wax). 9 Q. Wachs. Who is Lawrence Wachs? 10 A. Other than a business person at Fair 11 Isaac, I don't recall what his role was. 12 Q. Do you recall that he was one of the 13 primary business people you were dealing with in 14 connection with the Chubb license agreement? 15 A. No. 16 Q. Did you get direction from the FICO 17 business people regarding the appropriate scope of 18 the Chubb license agreement? 19 A. I don't remember, other than what was 20 in their request form. 21 Q. Is the scope and the various 22 categories of the scope that you identified, is 23 that something that you determine as a person in 24 the general counsel's office or is that something 25 that you work with FICO business people to	1 to assume that Lawrence Wachs -- Wachs was involved 2 in giving you that direction about scope for the 3 Chubb license agreement? 4 MS. KLIBENSTEIN: Objection, calls 5 for speculation. 6 THE WITNESS: I would say, since he's 7 copied on the e-mail, that would be a reasonable 8 conclusion, yes. 9 BY MS. JANUS: 10 Q. Do you recall the circumstances that 11 led to you sending this e-mail on June 6th, 2006, 12 to Jim Black at Chubb? 13 A. No. 14 Q. The e-mail says it's attaching the 15 updated version of the MSA, which is a Master 16 Services Agreement, correct? 17 A. Yes. 18 Q. And the standard Blaze Software 19 License and Maintenance Agreement, correct? 20 A. Yes. 21 Q. Do you recall what it was that you 22 were negotiating in terms of the MSA in early June 23 of 2006? 24 A. No. 25 Q. Do you know whether this is your first
Page 19 1 determine and then negotiate with the customer? 2 A. That would be purely a business 3 decision. 4 Q. So, in general, you would get your 5 direction from the FICO business people about what 6 the appropriate scope of the license would be? 7 A. Yes. 8 Q. And that applies to what software is 9 at issue in the license, correct? 10 A. Yes. 11 Q. What applications are at issue in the 12 license, correct? 13 A. Yes. 14 Q. If there are seat restrictions in the 15 license, correct? 16 A. Yes. 17 Q. If there are territory restrictions in 18 the license, correct? 19 A. Yes. 20 Q. And, then, you said anything else 21 relevant to how the customer was going to use the 22 software generally is the category of the scope, 23 correct? 24 A. Yes. 25 Q. In this situation, is it fair for us	Page 21 1 communication with Chubb relating -- actually, just 2 with Chubb? 3 A. No. 4 Q. You just don't know? 5 A. I don't -- I mean the e-mail says, 6 "Attached is an updated version of the MSA." So it 7 would seem there were prior versions. 8 Q. And if there were prior versions, 9 then, there was likely prior communication between 10 you and Chubb relating to those versions? 11 A. I don't recall, but that would seem 12 likely, yes. 13 Q. Take a look at the Master Services 14 Agreement. So generally, based on your experience 15 at FICO, what is a Master Services Agreement as it 16 relates to Blaze? 17 A. Um, as much as I recall, this would 18 outline services that our Professional Services 19 Team was going to do for the client relative to 20 their Blaze Software. 21 Q. And what is the Professional Services 22 Team? 23 A. I don't recall their full scope of 24 what they all did, but they would have been a team 25 that would interface with the customer and their

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<p>1 use of the software.</p> <p>2 Q. So these are technical -- or employees 3 of FICO with technical expertise that would assist 4 Chubb with Chubb's use of Blaze?</p> <p>5 A. Yes.</p> <p>6 Q. In the Master Services Agreement under 7 definitions, 1.a states, "Chubb' shall mean 8 Chubb & Son, a division of Federal Insurance 9 Company, for itself and as servicer for The Chubb 10 Corporation and its non-insurance company 11 subsidiaries, or as manager of its insurance company 12 subsidiaries." Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. And what did you understand that to 15 mean?</p> <p>16 A. Um, I'm not sure I understand what you 17 are asking me to -- to answer.</p> <p>18 Q. Did you have an understanding that the 19 description here, "Chubb & Son, a division of 20 Federal Insurance Company, for itself and as 21 servicer of The Chubb Corporation and its 22 non-insurance company subsidiaries, or as manager 23 of its insurance company subsidiaries," did you 24 have an understanding of what that meant when you 25 were negotiating the Master Services Agreement?</p>	<p>1 Q. Well, there's language under that 2 noted above the signature block as well, correct?</p> <p>3 A. Yes.</p> <p>4 Q. Okay. So did you understand that for 5 purposes of the Master Services Agreement the 6 contracting entity included Chubb & Son, a division 7 of Federal Insurance Company, for itself and as 8 servicer of The Chubb Corporation and its 9 non-insurance company subsidiaries, or as manager 10 of its insurance company subsidiaries?</p> <p>11 MS. KLIEBENSTEIN: Objection, asked 12 and answered.</p> <p>13 THE WITNESS: That's the name on the 14 signature block, yes.</p> <p>15 BY MS. JANUS:</p> <p>16 Q. And was it your understanding that 17 this entity that I just described, that's listed on 18 the signature block for the MSA, was the same 19 entity that you were dealing with in connection 20 with the license agreement and statements of work 21 and other agreements that were being negotiated at 22 the same time?</p> <p>23 A. I don't believe the entity in the 24 license agreement is consistent with the -- the 25 entity in the license agreement is Chubb & Son, a</p>
Page 23	Page 25
<p>1 A. I don't recall.</p> <p>2 Q. Were you involved in determining what 3 the proper entity was on Chubb's side to enter into 4 agreements with FICO?</p> <p>5 A. Can you repeat that?</p> <p>6 Q. Sure. Were you involved in 7 determining what the proper Chubb entity was for 8 purposes of entering into agreements with FICO?</p> <p>9 A. No. That would have been the business.</p> <p>10 Q. Did you understand that this entity 11 listed in 1.a was the entity that FICO was 12 negotiating with for purposes of the Master Services 13 Agreement?</p> <p>14 A. Well, I think the entity that FICO was 15 entering into this MSA with was Chubb & Son, a 16 division of Federal Insurance Company, which is in 17 the opening paragraph of the MSA.</p> <p>18 Q. And, then, the definition of Chubb is 19 in 1.a, correct?</p> <p>20 A. Yes.</p> <p>21 Q. And that is also the notation above 22 the signature block on the last -- or the second to 23 last page of the document, correct?</p> <p>24 A. Chubb & Son, a division of Federal 25 Insurance Company, yes.</p>	<p>1 division of Federal Insurance Company, without the 2 additional language.</p> <p>3 Q. So you believed you were -- What's the 4 difference to you, what does that difference mean 5 to you?</p> <p>6 A. Well, I'm not sure why there was a 7 difference, and the language difference to me 8 doesn't change the scope of the license. I mean, 9 they were Chubb & Son, a division of Federal 10 Insurance Company, is listed as a potential 11 servicer for The Chubb Corporation. I don't know 12 what that means today. I don't recall what that 13 would mean.</p> <p>14 Q. There was no significance to you in 15 the difference of the language between the 16 signature block on the Master Services Agreement 17 we're looking at and the description of client in 18 the license agreement?</p> <p>19 A. Well, I haven't read the Master 20 Services Agreement, but how Chubb is used as a 21 defined term and, then, how it's used throughout 22 the agreements, I don't know if that has some 23 relevance. To me, the license agreement is with 24 Chubb & Son, a division of Federal Insurance 25 Company. I don't know why the extra language was</p>
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<p>1 on the MSA.</p> <p>2 Q. And, again, my question was, is there</p> <p>3 a sig -- is there any significance in your mind to</p> <p>4 that difference?</p> <p>5 A. No.</p> <p>6 Q. Was it your intent to negotiate --</p> <p>7 strike that.</p> <p>8 The Master Services Agreement and the</p> <p>9 license agreement were being negotiated around the</p> <p>10 same time and in connection with the same</p> <p>11 transaction, correct?</p> <p>12 A. Yes.</p> <p>13 Q. In other words, the Master Services</p> <p>14 Agreement is ancillary to the Blaze license</p> <p>15 agreement?</p> <p>16 A. In this specific instance or generally</p> <p>17 speaking?</p> <p>18 Q. In this specific instance?</p> <p>19 A. Yes.</p> <p>20 Q. Does that mean that essentially you</p> <p>21 don't -- I mean, you don't have the Master Services</p> <p>22 Agreement if you don't have the Chubb license --</p> <p>23 the Chubb Blaze license, right? The purpose of the</p> <p>24 Master Services Agreement was to assist with the</p> <p>25 implementation of the software that was the subject</p>	<p>1 that's included in the Master Services Agreement,</p> <p>2 correct?</p> <p>3 A. No.</p> <p>4 Q. For it -- No?</p> <p>5 A. Okay, sorry.</p> <p>6 Q. Well, just so we're clear, that</p> <p>7 description is "for itself and as" a "servicer for</p> <p>8 The Chubb Corporation, and its non-insurance company</p> <p>9 subsidiaries, or as manager of its insurance company</p> <p>10 subsidiaries," your testimony is that description</p> <p>11 is not included or -- or does not apply to</p> <p>12 Chubb & Son, a division of Federal, as it entered</p> <p>13 into the license agreement?</p> <p>14 MS. KLIEBENSTEIN: Leah, where are we?</p> <p>15 I think you were quoting from something, but I --</p> <p>16 MS. JANUS: 1.a of the Master Services</p> <p>17 Agreement.</p> <p>18 MS. KLIEBENSTEIN: I'm going to ask</p> <p>19 you to ask that question again, because I didn't</p> <p>20 understand it myself, for purposes of objections.</p> <p>21 BY MS. JANUS:</p> <p>22 Q. Your testimony is that the Master</p> <p>23 Services Agreement and the license agreement were</p> <p>24 negotiated contemporaneously, correct?</p> <p>25 A. Yes.</p>
<p>Page 27</p> <p>1 of the Blaze license with Chubb, correct?</p> <p>2 A. Yes.</p> <p>3 Q. Was it your intent when you were</p> <p>4 negotiating the Master Services Agreement and the</p> <p>5 Chubb license agreement to enter into those</p> <p>6 agreements with the same entity on Chubb's side?</p> <p>7 MS. KLIEBENSTEIN: Objection, calls</p> <p>8 for speculation.</p> <p>9 THE WITNESS: Yeah. I don't recall</p> <p>10 what my intent was.</p> <p>11 BY MS. JANUS:</p> <p>12 Q. Would there -- Can you think of a</p> <p>13 reason why you would enter into the Master Services</p> <p>14 Agreement with a different entity or group of</p> <p>15 entities than you would enter into the Chubb</p> <p>16 license agreement?</p> <p>17 A. I don't think they are different,</p> <p>18 because the opening paragraphs of both agreements,</p> <p>19 where we're identifying the parties to the</p> <p>20 agreement, are aligned.</p> <p>21 Q. Okay. And so fair to say, then, that</p> <p>22 just as with the Master Services Agreement, the</p> <p>23 Chubb license agreement was entered into with</p> <p>24 Chubb & Son, a division of Federal Insurance</p> <p>25 Company, and that would include this description</p>	<p>Page 29</p> <p>1 Q. My question for you is, was it FICO's</p> <p>2 intent, your intent as an agent of FICO, to enter</p> <p>3 into those two agreements with the same entity, the</p> <p>4 same client?</p> <p>5 MS. KLIEBENSTEIN: Objection,</p> <p>6 foundation, calls for speculation.</p> <p>7 THE WITNESS: Yeah. I believe I</p> <p>8 answered that question. I don't recall what my</p> <p>9 intent was at the time.</p> <p>10 BY MS. JANUS:</p> <p>11 Q. Okay. But the Master Services</p> <p>12 Agreement clearly is ancillary to or dependent upon</p> <p>13 the software license agreement, correct?</p> <p>14 A. It is ancillary to the software</p> <p>15 license agreement, yes.</p> <p>16 Q. Okay. And we discussed the definition</p> <p>17 of Chubb in 1.a of the Master Services Agreement,</p> <p>18 correct?</p> <p>19 A. Yes.</p> <p>20 Q. And so my question to you is, is it</p> <p>21 fair to read that definition of Chubb to apply also</p> <p>22 to the Chubb & Son, a division of Federal, that is</p> <p>23 in the software license agreement?</p> <p>24 A. No, because if that had been the</p> <p>25 intent, that would have been written in the</p>

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1 specific territory restriction listed in Amendment 2 Two, correct. 3 BY MS. JANUS:	1 Agreement. Other than that first paragraph that 2 you just read, in your view, is there any other 3 aspect of Amendment Two to the Software License and 4 Services Agreement that relates in any way to a 5 territorial restriction on the scope of the license?
4 Q. Well, I want to be clear about the 5 language of Amendment Two to the Software License 6 and Services Agreement. And so my question to you 7 is simply about the language of Amendment Two to 8 the Software License and Services Agreement. Okay?	6 A. Well, I mean, if you read section 3, 7 the second sentence, "Except as expressly amended 8 by this Amendment Two, the provisions of the 9 Agreement continue in full force and effect." So 10 there is no change to the territory because it's 11 not been stated in this Amendment Two.
10 Q. The language in Amendment Two to the 11 Software License and Services Agreement does not 12 contain on its face a limitation to the territorial 13 scope of the license, correct?	12 Q. Other than, in your view, the first 13 paragraph and paragraph 3, would you agree with me 14 that there is no reference to a territorial 15 limitation on the scope of the license in Amendment 16 Two?
14 MS. KLIEBENSTEIN: Objection, asked 15 and answered.	17 A. I guess I disagree with the premise 18 that you're – started from.
16 THE WITNESS: I would disagree. 17 Because Amendment Two is subject to the terms of 18 the agreement, which has a territory restriction in 19 it, so --	19 Q. Okay. I – so I understand you're 20 talking about what you believe, how you've 21 interpreted Amendment Two and the license agreement. 22 I'm entitled to create a record relating to the 23 documents that is accurate.
20 BY MS. JANUS: 21 Q. So point me to the language you're 22 looking at in Amendment Two?	24 My question relates to the language in 25 Amendment Two and whether there's any explicit
23 A. Right at the beginning. It's, "This 24 Amendment Two...is effective as of December 28, 25 2006...and amends the Software License and Services	Page 109
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1 Agreement entered into on June 30, 2006, as amended 2 on August 1, 2006 (collectively the 'Agreement') by 3 and between Fair Isaac Corporation...and 4 Chubb & Sons, a division of Federal Insurance 5 Company ('Client')," so --	1 reference to a territorial restriction on the scope 2 of the license in Amendment Two itself? 3 A. No, there is not, other than it's 4 referenced to the agreement.
6 Q. Okay. So that's the language that you 7 were referring to in your previous answer; is that 8 correct?	5 Q. Thank you. 6 Do you know whether entities within 7 the Chubb corporate structure were located outside 8 the United States at the time Amendment Two was 9 entered into?
9 A. Yes. This Amendment Two is only 10 amending the agreement with regard to the chart 11 that's outlined in section 1 of Amendment Two. 12 It's taking out the chart that was -- well, the 13 previous licenses granted, to use the specific 14 language in the amendment, and replacing those 15 licenses with these licenses. Nothing else in the 16 agreement is changing. So the territorial 17 restriction in the agreement remains in effect.	10 A. No, I do not.
18 Q. And by the territorial restriction, 19 you're talking about the definition of Territory 20 that we looked at?	11 Q. Was that something -- Do you recall 12 whether that was something you were aware of one 13 way or another at the time you were negotiating the 14 license agreement?
21 A. Correct, which says "installation and 22 physical location...means the United States of 23 America."	15 A. No, I don't recall.
24 Q. Okay. So back to my question about 25 Amendment Two to the Software License and Services	16 Q. At the top of the second page of 17 Amendment Two there's a paragraph that relates to 18 the meaning of enterprise-wide license, correct?
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1 the provisions of the Agreement," correct? 2 A. Yes. 3 Q. And then it defines affiliates by 4 saying "Affiliates" shall mean any other entity 5 directly or indirectly controlled by Client, where 6 'control' means the ownership of more than 50% of 7 the aggregate of all voting interests (representing 8 the right to vote for the election of directors or 9 other managing authority) in an entity," correct? 10 A. Yes. 11 Q. Were you involved in drafting that 12 language? 13 A. Not that I specifically recall, no. 14 Q. Do you know whether that language came 15 from FICO? 16 A. I do not. 17 Q. Did you believe that language expanded 18 the scope of the Chubb license to include affiliates? 19 MS. KLIEBENSTEIN: Objection, calls 20 for speculation. 21 THE WITNESS: Well, it says that "the 22 Enterprise-Wide License shall mean that Client and 23 its Affiliates," as Affiliates is defined. So, 24 yes. Although it would be odd for a division to 25 have affiliates but -- since a division is not a	1 A. No. That a division obviously did 2 enter -- 3 Q. Oh. 4 A. -- into a software license agreement. 5 Q. Right, and -- and -- 6 A. Sorry. 7 Q. And I guess my -- that doesn't strike 8 you as unusual? 9 A. No. 10 Q. It was FICO's intent to enter into a 11 software license agreement allowing the licensee to 12 use the software, correct? 13 A. Yes. 14 Q. So there was no intent on FICO's part 15 to prevent Chubb or its affiliates from actually 16 using Blaze due to the fact that it was Chubb & Son, 17 a division of Federal Insurance Company that 18 entered into the license; is that fair? 19 MS. KLIEBENSTEIN: Objection, 20 mischaracterizes the document. 21 THE WITNESS: I mean, the intent of 22 the original license agreement and, then, since -- 23 was for Chubb & Son, a division of Federal 24 Insurance, to use the limited license that was 25 originally granted. The enterprise license was --
Page 111 1 legal entity. 2 BY MS. JANUS: 3 Q. Did you know that FICO was contracting 4 with something that was not a legal entity in 5 connection with the software license agreement? 6 A. Well, I mean, I knew FICO was 7 contracting with Chubb & Son, a division of Federal 8 Insurance Company, so -- 9 Q. Did you know that FICO was contracting 10 with something that, as you put it, was not a legal 11 entity? 12 A. Well, I would say a division is not a 13 legal entity. However, in my experience within 14 FICO and outside of FICO, there are instances where 15 divisions of companies enter into agreements for -- 16 I don't know what purpose, their own budgeting 17 purposes or whatever purpose, I don't know, but I 18 have seen other divisions of other companies enter 19 into agreements, yes. 20 Q. So it didn't seem out of the ordinary 21 to you that a division was entering into the 22 software license agreement? 23 A. I don't recall at the time, but it 24 obviously did. 25 Q. It did seem unusual to you that --	Page 113 1 the intent was for Chubb & Son, a division of 2 Federal Insurance Company and its affiliates, to 3 the extent it even had any, to use the software. 4 BY MS. JANUS: 5 Q. And FICO was involved in assisting 6 with the implementation of that use, correct? 7 MS. KLIEBENSTEIN: Objection, calls 8 for speculation. 9 THE WITNESS: I don't understand the 10 question. 11 BY MS. JANUS: 12 Q. Well, we looked at Statements of Work 13 and the Master Services Agreement that contain 14 terms providing for FICO to assist Chubb with the 15 use of Blaze, correct? 16 MS. KLIEBENSTEIN: Objection, 17 foundation and speculation. 18 THE WITNESS: I don't know about 19 assist in the use of the software. I would say the 20 implementation of the software. 21 BY MS. JANUS: 22 Q. Okay. And it would be implemented so 23 that it could be used, correct? 24 A. Yes. Well, by Chubb & Son. 25 Q. Well, you -- so I want to make sure

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1 I'm clear on this. When you say "by Chubb & Son,"
 2 are you taking the position that when you entered
 3 into the license there were -- there was some
 4 understanding that it was only going to be a part
 5 of Chubb that was able to access the software once
 6 it was enterprise-wide?

7 **A. Well, the license grant is to**
 8 **Chubb & Son, a division of Federal Insurance**
 9 **Company. Once it's enterprise-wide, the license is**
 10 **to Chubb & Son, a division of Federal Insurance**
 11 **Company and its affiliates, which would be -- I**
 12 **mean, again, the definition of affiliates, "directly**
 13 **or indirectly controlled by Client," which is**
 14 **Chubb & Son, a division of Federal, "where 'control'**
 15 **means the ownership of more than 50% of the**
 16 **aggregate of all voting interests."**

17 **So, I mean, if you're looking at an**
 18 **org chart and you have Chubb & Son sitting**
 19 **somewhere on the org chart as a division of Federal**
 20 **Insurance Company, if they controlled any entity**
 21 **down here, an affiliate, they would be allowed to**
 22 **use the software, but it wouldn't go up the chart**
 23 (indicating).

24 Q. Okay. And do you know whether FICO
 25 did any sort of analysis about what this

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1 Q. Do you know if FICO believed the
 2 inclusion of affiliates would actually expand the
 3 scope of the Chubb license to use Blaze?
 4 MS. KLIEBENSTEIN: Objection,
 5 foundation.

6 THE WITNESS: Can you repeat the
 7 question?

8 BY MS. JANUS:

9 Q. Do you believe that FICO -- strike
 10 that.

11 Do you know whether FICO believed that
 12 the addition of affiliates to the enterprise-wide
 13 license expanded the scope of Chubb's Blaze license?

14 MS. KLIEBENSTEIN: Objection,
 15 foundation.

16 THE WITNESS: No, I don't know that.

17 MS. JANUS: Okay, let's break.

18 THE VIDEOGRAPHER: Going off the
 19 record. The time is 12:35 p.m.
 20 (Break from 12:35 to 1:27.)

21 THE VIDEOGRAPHER: We're back on the

22 record. The time is 1:27 p.m.

23 BY MS. JANUS:

24 Q. Ms. Boone, sticking with Exhibit 314,
 25 which is the final license agreement and Amendments

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1 enterprise-wide license would apply to in terms of
 2 the Chubb entities?

3 **A. I don't know.**

4 Q. Would you have expected FICO to do an
 5 analysis about that?

6 MS. KLIEBENSTEIN: Objection, calls
 7 for speculation.

8 THE WITNESS: I don't know.

9 BY MS. JANUS:

10 Q. Are you aware or were you aware that
 11 the enterprise -- Were you aware of how the
 12 enterprise license pricing was arrived at?

13 **A. No.**

14 MS. KLIEBENSTEIN: Are we at a good
 15 spot for a lunch break?

16 MS. JANUS: Let me just finish up a
 17 couple questions on Amendment Two, if that's okay.

18 MS. KLIEBENSTEIN: Yep.

19 BY MS. JANUS:

20 Q. You mentioned the affiliates language,
 21 and then you said although it seems odd for a
 22 division to have affiliates. Why would FICO have
 23 included the language relating to affiliates if it
 24 believed it would be meaningless?

25 **A. I don't know.**

1 One and Two, for the time being, I want to talk
 2 about the main Software License and Maintenance
 3 Agreement.

4 We talked about the definition of
 5 Territory and the License Grant paragraph, which is
 6 2.1, in connection with the negotiations that led
 7 to the final agreement, correct?

8 **A. Yes.**

9 Q. Looking at the final agreement, what
 10 is your view of the territorial scope of the Chubb
 11 license to use Blaze?

12 **A. Well, the software -- the Fair Isaac**
 13 **products, I should say, have to be installed and**
 14 **the physical location of them has to be within the**
 15 **United States.**

16 Q. Are there any other aspects or
 17 limitations to the territorial scope, in your view,
 18 of the Chubb Blaze license agreement?

19 **A. As far as the territory goes, no, as**
 20 **long as it's installed and the physical location is**
 21 **the United States.**

22 Q. Do you believe that allows Chubb to
 23 use the Blaze software globally?

24 MS. KLIEBENSTEIN: What Chubb entity
 25 are you meaning?

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